



FEDERAL ELECTION COMMISSION

WASHINGTON, D C 20463

Robert D. Kurnick, Esq.  
Sherman, Dunn, Cohen, Leifer & Yellig, P.C.  
900 Seventh Street, N.W., Suite 1000  
Washington, D.C. 20001

MAR - 7 2007

RE: MUR 5638  
International Brotherhood of Electrical Workers  
Local 2249  
Glenn R. Collins

Dear Mr. Kurnick:

On January 8, 2007, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondents and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in cursive script, appearing to read "Claire N. Rajan".

Claire N. Rajan  
Attorney

Enclosure  
Conciliation Agreement

cc: Fred O. Towe, Esq.  
William R. Groth, Esq.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

International Brotherhood of Electrical Workers  
Local 2249 and Glenn R. Collins, in his official  
capacity

MUR 5638

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by David C. Hobbs.

The Federal Election Commission (the "Commission") found reason to believe that International Brotherhood of Electrical Workers and Glenn R. Collins (the "Respondents") violated the Federal Election Campaign Act of 1971, as amended (the "Act").

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. At all relevant times, William Abbott was a candidate in the 2002 election for Indiana's Fourth Congressional District, an employee of a subsidiary of General Electric Company ("GE"), a member of International Brotherhood of Electrical Workers Local 2249 ("Local 2249"), and a member of Local 2249's Executive Board.

2. At all relevant times, Glenn R. Collins was the President and Business Manager of Local 2249.

3. The Act prohibits corporations and labor organizations from making, and their officers from consenting to, contributions in connection with any Federal election.

2 U.S.C. § 441b(a).<sup>1</sup> A “contribution or expenditure” includes “any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value . . . to any candidate.” 2 U.S.C. § 441b(b)(2). Commission regulations set forth at 11 C.F.R. § 113.1(g)(6)(iii) further provide that payments that are compensation [to a candidate] shall be considered contributions unless—

- (A) The compensation results from *bona fide* employment that is genuinely independent of the candidacy;
- (B) The compensation is exclusively in consideration of services provided by the employee as part of this employment; and
- (C) The compensation does not exceed the amount of compensation which would be paid to any other similarly qualified person for the same work over the same period of time.

11 C.F.R. § 113.1(g)(6)(iii).

4. Pursuant to the 2000-2003 Collective Bargaining Agreement between GE and Local 2249 (the “CBA”), GE employees who are absent for work in excess of two weeks without satisfactory explanation are subject to termination and stoppage of service credit accruals. The CBA also addresses time employees spend on union matters that GE or Local 2249 compensates,

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<sup>1</sup> All of the events recounted in this agreement occurred prior to the effective date of the Bipartisan Campaign Reform Act of 2002 (“BCRA”), Pub. L. 107-155, 116 Stat. 81 (2002). Accordingly, all citations to the Federal Election Campaign Act of 1971, as amended (“the Act”), herein are to the Act as it read prior to the effective date of BCRA. Likewise, all citations to the Commission’s regulations herein are to the 2002 edition of Title 11, Code of Federal Regulations, which was published prior to the Commission’s promulgation of regulations under BCRA.

all of which are considered excused absences from work. For example, GE pays for time spent related to employee grievances, subject to limitations. Local 2249 pays GE employees for time spent on corporate governance and other non-grievance activities. The time paid by Local 2249 is recorded on "labor vouchers," signed by the employee and the union president. The vouchers are submitted to GE, and GE personnel enter them into the company's computerized time-and-attendance system.

5. After Abbott exhausted his earned vacation and annual leave time to campaign, Glenn R. Collins consented to Local 2249 representing to GE that William Abbott was performing union-paid activity when Abbott was actually using unexcused time to campaign for Federal office by signing labor vouchers authorizing Local 2249 to compensate Abbott for time spent campaigning. Collins announced this arrangement to the Executive Board of Local 2249 and its members.

6. Local 2249 compensated William Abbott in this manner during the period of August 15, 2002 to October 30, 2002, for a total of 224.83 hours and total gross wages of \$4,779.91. These payments constituted "contributions" under the Act. Abbott reimbursed the amount of the contributions to Local 2249 within a few days of receipt.

V. 1. International Brotherhood of Electrical Workers Local 2249 violated 2 U.S.C. § 441b(a) by making prohibited contributions to a Federal candidate using labor organization funds.

2. Glenn R. Collins violated 2 U.S.C. § 441b(a) by consenting to making prohibited contributions to a Federal candidate using labor organization funds.

3. Respondents will cease and desist from violating 2 U.S.C. § 441b(a).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Four-Thousand and Five Hundred Dollars (\$4,500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

MUR 5638

Conciliation Agreement

IBEW Local 2249 and Glenn R. Collins

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence H. Norton  
General Counsel

BY:

Rhonda J. Vosdigh  
Rhonda J. Vosdigh  
Associate General Counsel  
for Enforcement

3/6/07  
Date

FOR THE RESPONDENTS:

Robert D. Durnick  
(Name)  
(Position) Attorney

12/13/06  
Date